

**SECRET**

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OGC Has Reviewed

20 October 1954

MEMORANDUM FOR: Deputy Director (Administration)

SUBJECT :

"Personal Loan" to

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1. You have asked for our comments on the memorandum from the Inspector General to the Director, dated 2 October 1954, on the above subject.

2. Based on the facts and conclusions contained in the Inspector General's memorandum, there is no legal objection to reimbursing [ ] for the \$2,000 he advanced to [ ]. Paragraph 9e of the Inspector General's memorandum states that the Agency would have been forced, for operational reasons, to have paid [ ] debt to [ ]. [ ] had not lent the \$2,000 from his personal funds. [ ] in lending his own money, was thus acting on behalf of the Agency and is entitled to be reimbursed.

3. We note that the Inspector General recommends that the Director authorize the Deputy Director (Administration) to reimburse [ ]. Since Agency Regulation [ ] paragraph 9a, authorizes the Deputy Director (Administration) to take final action in cases such as this which arise out of the unusual functions of this Agency, we believe that you have the authority to authorize [ ] reimbursement without any action on the part of the Director.

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4. The Agency records should reflect the fact that [ ] will owe the Agency a total of \$3,714.00 as a result of the payment of [ ] debt to [ ]. Therefore, a copy of this memorandum is being sent to the Comptroller for his information.

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[ ]  
Assistant General Counsel

1 Att - IG memo to DCI,  
2 Oct 54, same  
subject